Attorney General Kelly announces $40.75 million multi-state settlement with GlaxoSmithKline & SB Pharmco over drug manufacturing issues

HARRISBURG - Attorney General Linda Kelly announced that Pennsylvania, along with 37 other states, has reached a $40.75 million settlement with GlaxoSmithKline, LLC (GSK) and SB Pharmco Puerto Rico, Inc. (SB Pharmco) addressing allegations of substandard drug manufacturing processes.

According to a complaint that was filed today along with the settlement agreement, GSK and SB Pharmco allegedly engaged in unfair and deceptive practices when they manufactured and distributed certain lots of Kytril (a sterile drug used to prevent nausea and vomiting caused by cancer chemotherapy and radiation therapy), Bactroban (an antibiotic ointment used to treat skin infections), Paxil CR (the controlled release formulation of the popular antidepressant drug, Paxil), and Avandamet (a combination Type II diabetes drug) that were allegedly adulterated because the manufacturing processes used to produce these lots were substandard.

Pennsylvania will receive $1,831,369 as the result of this settlement, which will be used to support future consumer protection and public protection activities.

Attorney General Kelly noted that there is no current cause for concern regarding the drugs covered by this agreement because all allegedly adulterated batches have been recalled for many years. Consumers who might have concerns about various drugs involved in this settlement should contact their health care provider.

Additionally, the settlement agreement prohibits GSK and SB Pharmco from making false, misleading or deceptive claims regarding the manufacturing of all drugs formerly manufactured at their facility in Cidra, Puerto Rico, regardless of where these drugs are now produced. GSK and SB Pharmco are no longer manufacturing drugs at their Cidra facility, which has been closed since 2009.

The settlement also bars the companies from misrepresenting those drugs' characteristics, or causing likelihood of confusion or misunderstanding about the way in which they are manufactured.


The Pennsylvania portion of the case was handled by Deputy Attorney General Nicole L. VanOrder of the Attorney General's Health Care Section.

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